

THE WEEKLY OF **BUSINESS AVIATION**

Vol. 51 No. 6

INTELLIGENCE

Page 41

AVIATION FUEL PRICES began soaring last week within hours of Iraq's invasion of Kuwait. Chevron notified its customers that prices for both avgas and jet fuel were being boosted six cents per gallon effective midnight Thursday and Phillips 66 raised prices for both products by five cents per gallon. Conoco said jet fuel was going up six cents per gallon while avgas prices were being boosted by 10 cents per gallon. Tankers to haul fuel were already in short supply in some areas Friday as customers rushed to obtain as much product as they could in advance of possible further price increases this week.

UNIVERSITY OF OKLAHOMA was awarded a \$109.9 million contract Friday by FAA to continue providing training for air traffic controllers at FAA's Mike Monroney Aeronautical Center in Oklahoma City. OU, which has been under contract to provide training for potential controllers for the past nine years, said the new agreement will create approximately 150 new jobs at the university. OU was one of four competitors for the five year contract.

MEMBERS OF DISTRICT 70 of the International Association of Machinists and Aerospace Workers were scheduled to meet Saturday (Aug. 4) for a briefing on the status of negotiations with Beech Aircraft on a new labor agreement (BA, July 30/33). Union and company representatives held numerous meetings last week discussing a range of issues including a general wage increase, cost of living adjustments, pensions and overtime pay. The current contract was scheduled to expire yesterday (Aug. 5).

NEW HEADQUARTERS BUILDING being planned for the Department of Transportation (BA, July 30/34) will contain over 2.4 million square feet, large enough to accommodate 12,200 employees. Offices to be consolidated in the new building currently have about 11,600 employees. DOT's present headquarters building has just under 1.1 million square feet of occupiable space.

LEARJET ADDING ENGINEERING EMPLOYEES FOR PRODUCT DEVELOPMENT PROGRAMS

Learjet Inc., which has been unable to fund new product development programs for several years because of the financial problems of its former parent company, last week said it is adding more than 200 employees in engineering and tool design to work on new products. Learjet officials have had plans for months for updated models of its existing aircraft product line, but money was not available for development work while the company was owned by Integrated Resources. Learjet was acquired by Bombardier, Inc. at the end of June and Learjet President Brian Barents said then that one of the most immediate benefits for Learjet is "it's going to allow us to look at executing some of the programs we've been looking at" (BA, July 2/1).

Barents said Thursday the company has hired about 50 engineering personnel and has open requisitions for an additional 100 engineering and 60 tooling employees. He said the hiring of additional personnel is "a direct result of Bombardier's recent acquisition of the company which has led to the release of certain programs involving product improvement and product development." Learjet officials declined to elaborate on those programs, but they are believed to include a new Model 45 – an improved version of the 35A – and the Model 65 – an updated 55C (BA, July 2/2).

Announcement of the additional employees is the second positive result of Bombardier's acquisition

(Continued on the following page)

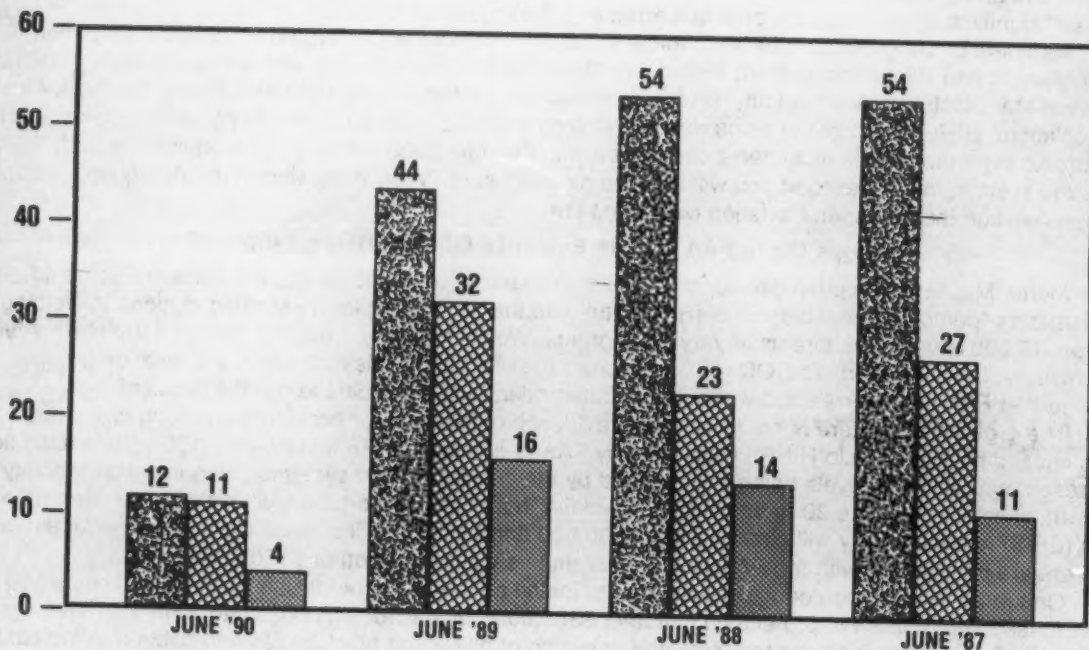
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USED RETAIL JET DELIVERIES - NORTH AMERICA



FOR THE MONTH OF JUNE



LIGHT



MEDIUM



HEAVY

SN601 Corvette
Beechjet 400
Citation 1 + 2
Falcon 10 + 100
I.A.I. 1121 A/B/C Commodore Jet
Lear Jet 23/24/25/28/29/35/36
MU300 Diamond 1/1A/2
MS780 Paris Jet

Citation 3
Falcon 20/200
BAE 125 (All Models)
I.A.I. 1123/1124/1124A Westwind
I.A.I. 1125 Astra
Lear Jet 55/55ER/55LR/55XLR/55C
Saberliner (All Models)

CL600/601 Challenger
Falcon 50/900
G1159 Gulfstream 2/2B/3/4
Lockheed Jetstar (All Models)
All Airliner Type Jets
Such as Boeing 707 and similar type aircraft

SOURCE: AVDATA, INC., WICHITA, KS.

JULY '90

BUSINESS AVIATION BRIEFS

ROMEO CHARLIE, INC., the parent company of Piper North Corp., said an agreement with the state of Pennsylvania to establish an aircraft manufacturing operation in Lock Haven, Pa. "has been suspended." The Pennsylvania General Assembly unanimously passed a financial aid package last year to facilitate resumption of aircraft manufacturing in Lock Haven, where Piper was formerly headquartered (BA, Dec. 18/193). The plant was to have produced Piper Navajos and the Lopresti-Piper Swiftfury. M. Stuart Millar, owner of Piper Aircraft and Romeo Charlie, said, "As part of Romeo Charlie's continued efforts to focus on the long-term financial stability of Piper Aircraft, it was determined that participation in this business venture would not be possible."

* * *

BUTLER AVIATION OFFICIALS, who acknowledge that its chain of fixed-base operations has an image problem, have retained the Kansas City firm of Eidson Speer Watson and Dickerson to handle advertising and public relations.

* * *

ROLLS-ROYCE said it signed a contract with leasing company Associated Aerospace to provide Tay 650 turbofan engines for 50 new Romanian-built 1-11 transport aircraft. Contract, which could lead to about \$225 million worth of business, is expected to be implemented this month. Associated Aerospace has signed a contract with Interpriderea d'Avioane Bucuresti (IAVB), the Romanian aircraft manufacturer, for 50 of the aircraft, originally developed by British Aircraft Corp. First aircraft is scheduled for delivery before the end of 1991.

* * *

NATIONAL AIR TRAFFIC CONTROLLERS ASSOCIATION conducted informational picketing Friday at the Washington Air Route Traffic Control Center in Leesburg, Va. to call attention to a "continued critical shortage of controllers at the facility and the serious implications on aviation safety." NATCA said the center handled 2.5 million aircraft last year and noted that there are 255 full-performance level controllers employed at the facility, nearly 100 fewer FPLs than were employed there prior to the Professional Air Traffic Controllers Organization strike nine years ago this month.

* * *

DECLINE IN RETAIL DELIVERIES of used jet and turboprop business aircraft this year continued during June, according to figures compiled by Aviation Data Service of Wichita, Kan. Charts detailing retail deliveries for the month and for the same month in previous years, are reprinted on the backs of Pages 45-48.

* * *

GENERAL AVIATION MARKET EXPANSION (GAME) PLAN Task Force telephone number changed on Aug. 1. New number is (703) 845-9006.

* * *

BANK IV in Wichita, Kan. has established an aircraft loan department to provide nationwide financing of new and used aircraft. The department is headed by Robert G. Turich, aircraft loan officer. Turich has 30 years experience in banking and aviation finance including positions with Cessna Finance Corp., Chase Aircraft Finance Co. and Maryland National Bank.

* * *

CORRECTION: Delivery figures for the British Aerospace 125-800 during the first half of 1990 were listed incorrectly (BA, July 30/37). The company actually delivered nine new business jets during the first six months.

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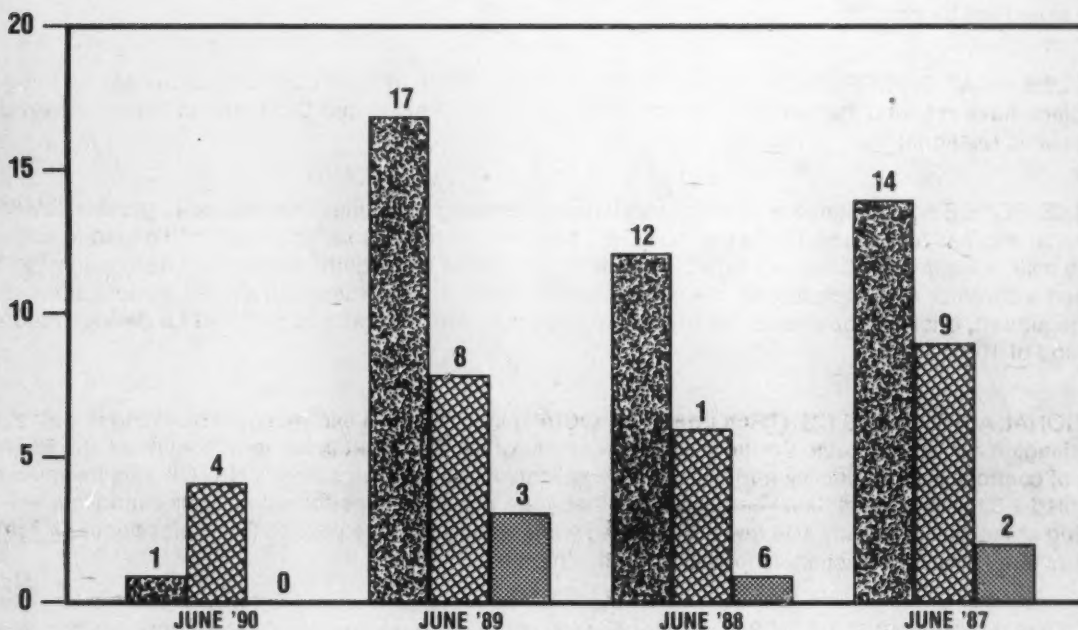
FEDERAL AVIATION ADMINISTRATION said it is investigating possible safety violations at Sikorsky Memorial Airport, Bridgeport, Conn., discovered last month during an inspection. Among the alleged violations were poorly controlled fuel spills, unqualified personnel performing safety and maintenance functions and lack of a runway landing device.

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REQUESTS FOR EXEMPTIONS from various sections of the Federal Aviation Regulations are reprinted on the backs of Pages 42-44.

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USED RETAIL JET DELIVERIES - OUTSIDE NORTH AMERICA



FOR THE MONTH OF JUNE



LIGHT

SN601 Corvette
Beechjet 400
Citation 1 + 2
Falcon 10 + 100
I.A.I. 1121 A/B/C Commodore Jet
Lear Jet 23/24/25/28/29/35/36
MU300 Diamond 1/1A/2
MS760 Paris Jet



MEDIUM

Citation 3
Falcon 20/200
BAE 125 (All Models)
I.A.I. 1123/1124/1124A Westwind
I.A.I. 1125 Astra
Lear Jet 55/55ER/55LR/55XLR/55C
Saberliner (All Models)

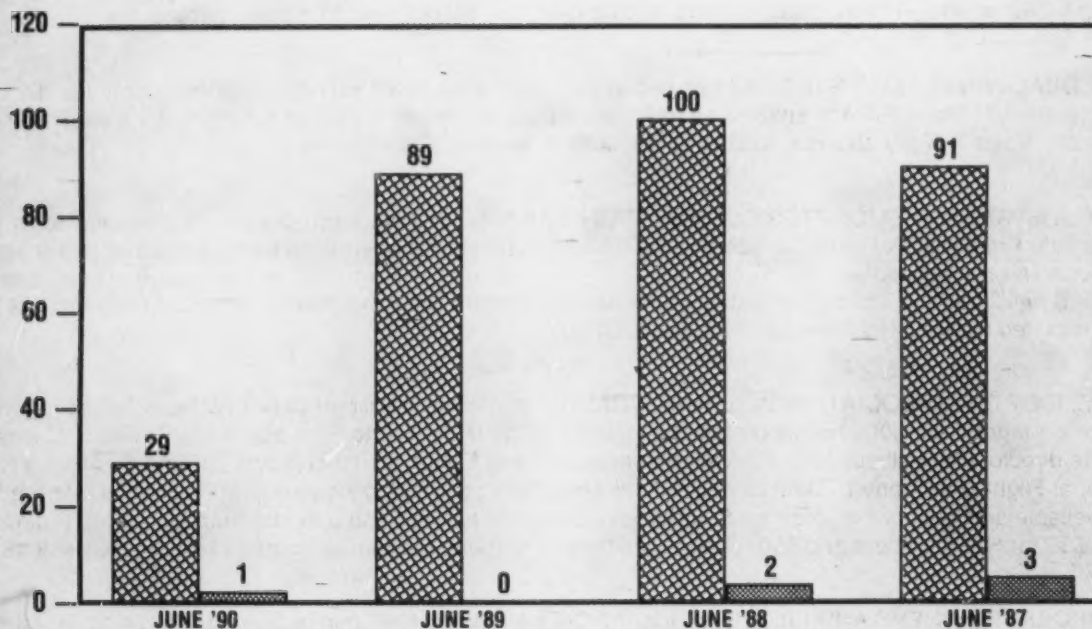


HEAVY

CL600/801 Challenger
Falcon 50/900
G1159 Gulfstream 2/2B/3/4
Lockheed Jetstar (All Models)
All Airliner Type Jets
Such as Boeing 707 and similar type aircraft

470

USED RETAIL TURBOPROP DELIVERIES - NORTH AMERICA



FOR THE MONTH OF JUNE



MEDIUM

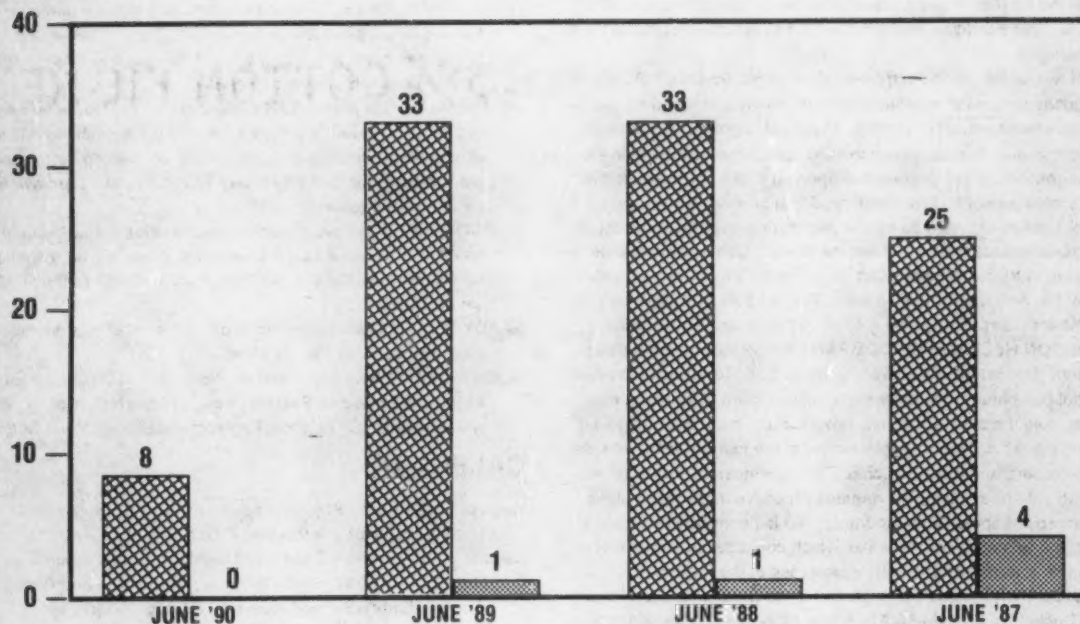


HEAVY

Turbo Commander (All Models)
Beech 90 King Air (All Models)
Beech 100 King Air (All Models)
Beech 200 King Air (All Models)
Beech 300 King Air (All Models)
Cessna 400 SRS Conversions
Cessna 425/441/406/436
Mitsubishi MU2 (All Models)
PA31T/PA42 Cheyenne (All Models)
Swearingen Merlin/Metro (All Models)

G159 Gulfstream I
All Airliner Type Turboprops
Such as F-27 Friendship and similar type aircraft

USED RETAIL TURBOPROP DELIVERIES - OUTSIDE NORTH AMERICA



FOR THE MONTH OF JUNE



MEDIUM

Turbo Commander (All Models)
Beech 90 King Air (All Models)
Beech 100 King Air (All Models)
Beech 200 King Air (All Models)
Beech 300 King Air (All Models)
Cessna 400 SRS Conversions
Cessna 425/441/406/435
Mitsubishi MU2 (All Models)
PA31T/PA42 Chayenne (All Models)
Swearingen Merlin/Metro (All Models)



HEAVY

G159 Gulfstream 1
All Airliner Type Turboprops
Such as F-27 Friendship and similar type aircraft